



EMBASSY OF THE UNITED STATES

BUENOS AIRES • ARGENTINA



**Press conference with Patrick O'Brien,
US Treasury Assistant Secretary for Terrorist Financing**

December 6, 2006

IO Mara Tekach. As you all know, we are here regarding today's Secretary's designation.

Assistant Secretary O'Brien. Thank you for having me. As you are aware today, the (US) Treasury did take an action with respect to a network in the Triple Border Area related to Hezbollah. This is a follow up action to a designation that took place June 2004 of Assad Barakat. Today, we designated nine additional individuals and two organizations that are related to activities to provide financing and other material support to Hezbollah. The individuals today are relatives and associates of Assad Barakat, and the two organizations, Casa Hamze and Galeria Page, are commercial establishments that are being used by these individuals to further their activities.

Today's action places a legal obligation on a US person to freeze any assets of these individuals or organizations in the US, and prohibit any financial services or activities between a US person and the individuals and organizations that are designated today.

This action does not place a legal obligation on financial institutions in other countries but we encourage private institutions and governments to utilize the information that we have placed in the public domain to take, to factor in, their own decisions about the activities and relationships that their institutions engage in.

And with that, I am happy to take your questions.

Question. Mr. O'Brien, I am from Clarin newspaper. My question is whether you have formally notified the Argentine Government of this decision and, if so, what the response was.

AS O'Brien. We have communicated this formally to the Argentine Government and the other governments. We have communicated this formally to the Argentine Government. We have done this and we have been in communication with them on these matters even prior to today.

Q. I wanted to know if Argentina participated in the investigation of this case, and also why are we having this conversation without Brazilian and Paraguayan journalists? Is this an affair that concerns Argentina more than the other countries?

AS O'Brien. We communicated with not only with the Government of Argentina but also with the Government of Paraguay and Brazil. As to this particular call, I will let the Embassy.... The Embassy set up this particular call and I will let them address that.

Q. I wanted to ask what amount of money was identified or found to be moved in this operation. That is, what amount of financing flows has been identified? Is it possible to know how this money flows or movements were identified or found? What form did they take?

AS O'Brien. The information that we have placed does not report a total figure on the amount of money that is being moved by this network, but, for example, in the information that we made public today there is information, for example, concerning Ali Kazan, who as late as August 2006 helped raise more than U\$S 500,000 for Hezbollah. As a general matter, it is safe to say that millions of dollars have been raised and moved by this network.

As it is also described in the materials made public today, one of the key ways that money is moved is through personal couriers and travel and, in fact, one of the individuals designated has a particular role of facilitating that kind of travel through the procurement of false travel packs.

The commercial establishments that were also named provide another means of disguising the movement of money to their fundraising activities involved.

Interpreter. Excuse me, I am the interpreter. Do you mind if I double check a figure you mentioned – in August 2006, you said U\$S 500,000 was raised by one person?

AS O'Brien. Yes, half a million dollars.

Interpreter. OK, thank you so much.

Q. I wanted to know whether these individuals that were designated today, and these organizations, could have been involved in the 1994 AMIA bombing case, and if so, if this information has been handed over to the Argentine Judiciary for them to take them to court.

AS O'Brien. On that, I can say that the US, through the course of several years, has responded to all requests from Argentina related to the investigation on the AMIA bombing case and provided all the information that we have been able to provide related to that and cooperated fully with Argentina's efforts in this regard. I cannot comment on any specifics.

Q. I wanted to ask about the first question, which was posed by my colleague from Clarin but not fully answered – whether this was communicated to the Argentine Government, and, if so, what

response did the Argentine Government give, and if they anticipated any measures or actions to be followed.

AS O'Brien. I am sorry I did not answer that part. We did communicate with the Argentine Government prior to the action today, and we shared information related to this network... We believe that the Government appreciated that interaction prior to our taking an action, I believe they are considering the information, and you have to inquire with them as to what steps they are considering.

Q. Can we know what Argentine Government official you contacted?

AS O'Brien. I would refer that to the Embassy.

Q. The information gathered by the US will be shared in full with Argentina or only the names of individuals and organizations will be shared with the Argentine Government.

AS O'Brien. Information beyond just the names has been shared already with the Government, and as we move forward we are willing to share as much as we can with our counterparts in Argentina.

Molly. We only have time for two more questions.

Q. My question is regarding the way in which this group works. Is this indicative of them only being involved in money laundering actions? – because one of the names designated (Chamas) appears as being involved in counter-intelligence activities, which would also make them an operational organization.

AS O'Brien. Certainly, we see activity in this group related to a variety of different illicit activities (the movement of illicit drugs, drug trafficking and other types of extortion) and using these activities to generate funds, which they then transmit to Hezbollah. As the press release sets forth, a number of these individuals have provided other types of support - facilitating travel, for example, others have been involved in different types of recruiting, they have facilitated communication between the region and Hezbollah leadership. And so, it is fair to say that there are activities beyond raising money.

IO M. Tekach. Mr. Assistant Secretary, one question from Telam and, if you might have another minute, one last question from Clarin.

Q. The evidence you collected, will it be submitted to a US court?

AS O'Brien. The authority that we use today is under our Executive Order 13224, which the Embassy can provide you a copy of, but basically it is an Executive Authority.

Q. Should I take that as you answering that will not be filed or submitted as evidence before a court?

AS O'Brien. Well, I wasn't quite finished with my answer, I was just waiting for the translation. This Executive Authority is recognized and approved by our statutory law. The way the process works is that our Agency makes a determination about whether the individuals and organizations meet the criteria set forth in the Executive Order. At the time we take the action we make as much information public as we can. The action is, however, subject to a judicial challenge. Parties can file an action in our federal district court, challenging the bases of the designation. If that occurs, then a US federal judge will review the evidentiary basis for the designation. So, while in the first instance we did not have to go to a court to take the initial action, the action is subject to judiciary review.

IO M. Tekach. The very last question now.

AS O'Brien. OK.

Q. It is not clear, or we cannot deduce, that this information you are making public today implies or means a request for the Argentine Government to detain, imprison or bring to justice all these people. I am asking you what this implies in this sense. And if so, if the Argentine Government does not take action on this, what is the possibility in the future, what is extent of this action.

IO M. Tekach. Is the question clear, Sir.

AS O'Brien. I will give it a shot. We would ask Argentina and all other relevant governments to carefully consider the information that we have provided them, and take all of the necessary steps within their authority jurisdictions to address the threat of terrorist financing and to take whatever actions are appropriate and lawful in their jurisdiction.

IO M. Tekach. Thank you very much for your time, Mr. Assistant Secretary. This has been extremely helpful and we will be in touch with you again, I am sure. Everyone has learned a lot today, and this has helped us focus on some of the details that sometimes get lost without this opportunity for journalists to learn about our announcements.

AS O'Brien. You're welcome. It is my pleasure. Thank you.

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